

# ATTACHMENT NO. 2

PLHA Formula 5-year Plan - Amendment		Rev. 5/7/21
Eligible Activities, §301		
§301(a) Eligible activities are limited to the following:	Included?	
§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.	<input checked="" type="checkbox"/>	YES
§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.	<input type="checkbox"/>	YES
§301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds.	<input type="checkbox"/>	YES
§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.	<input type="checkbox"/>	YES
§301(a)(5) Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.	<input type="checkbox"/>	YES
§301(a)(6) Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.	<input checked="" type="checkbox"/>	YES
§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.	<input type="checkbox"/>	YES
§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.	<input type="checkbox"/>	YES
§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.	<input type="checkbox"/>	YES
§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.	<input type="checkbox"/>	YES

<b>§302(c)(4) Plan</b>															Rev. 5/7/21
<p><b>§302(c)(4)(A)</b> Describe the manner in which allocated funds will be used for eligible activities.</p> <p>The original 5-year plan submitted by the City of Riverside included an allocation in year 2020 for 50% of funding (or approximately \$1,000,000) to be utilized to cover operations and case management for a homeless bridge housing facility. \$600,000 is now needed in addition to the \$1 million for shelter management in the 2020 PLHA Plan. The City will fund management and case management for the 23-bed Bridge Housing Project, and a 30-room Pallet Shelter Project. Now in FY 2020 approximately 66% of funds will be used for shelter management (\$1,600,000), 33% used for housing development (\$795,221), and 5% for administration (\$126,064). Note that new percentages are based on a higher actual 2021 PLHA award for the City of \$2.5 million.</p>															
<p><b>§302(c)(4)(B)</b> Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).</p> <p>First Priority - The City of Riverside has a 2018 approved Housing First Strategy (<a href="https://www.riversideca.gov/sites/default/files/ohs/pdf/Housing%20First%20Plan%20CC%20Approval.pdf">https://www.riversideca.gov/sites/default/files/ohs/pdf/Housing%20First%20Plan%20CC%20Approval.pdf</a>) which mandates that the City to complete the construction of 400 scattered-site Permanent Supportive Housing in all Wards of the City within 10 years to meet the need of affordable housing coupled with case management. These units will be reserved by legal covenant for persons earning at-or-below 60% of AMI. The Plan also calls for the City to fund transitional housing for persons experiencing homelessness. Second Priority - Meeting housing and homeless needs identified in the City's approved Consolidated Plan for Federal Funding and Annual Action Plan. Third Priority - The City has a mandate under its Housing Element Regional Housing Needs Allocation to produce approximately 8,283 units of housing (Mid-Cycle Update) of which 3,338 are low and very low income units. There is significant overlap in unit production elements from the plans listed above. Fourth Priority - Meeting the needs of current antidisplacement plans and/or unit replacement plans under the federal Uniform Relocation Act.</p>															
<p><b>§302(c)(4)(C)</b> Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.</p> <p>From Housing Element Mid-Cycle Update: Plans for use of PLHA funds will assist the City to meet the following Housing Element activities: Continue to seek new partnerships with nonprofit developers and continue on with existing partnerships to assist in the development of affordable housing projects for extremely low- to low-income households (Tool H-15); Generate Creative Sources of Senior Housing Financing (Tool H-38); and seek additional partnerships with service organizations to provide supportive housing for residents (Tool H-39).</p>															
<b>Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))</b>															
<p><b>§301(a)(1)</b> The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.</p>															
<p><b>§302(c)(4)(E)(i)</b> Provide a detailed and complete description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.</p> <p>The City will lend 83% of FY 2020 PLHA funds to non-profit developers for the construction of multifamily rental housing units that will serve affordable income levels of 60% of AMI and below. Each project will also include a set-aside of permanent affordable housing units serving 30% AMI and below. All PHLA funds will be protected by a Promissory Note, and Deeds of Trust, Regulatory Agreements, Covenants, Conditions and Restrictions recorded against each project property.</p>															
<p>Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).</p>															
Funding Allocation Year	2020														
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	30.0%														
§302(c)(4)(E)(ii) Area Median Income Level Served	60%														<b>TOTAL</b>
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>	3057														3057
§302(c)(4)(E)(ii) Projected Number of Households Served	42														42
§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity <b>(55 years required for rental housing projects)</b>	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	
<p><b>§302(c)(4)(E)(iii)</b> A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.</p> <p>The City proposes to solicit projects from regional developers to develop projects that meet priority project needs for the City and/or allow the City to utilize available land and other funding assets in order to expedite projects. This may include solicitations for specific RFP's. The City recently completed an expression of interest RFP for its land inventory pursuant to AB1486, and intook several small projects from that solicitation. In an ongoing basis, the City will continue to solicit affordable developer interest to complete project that meet the City's needs, especially the production of permanent supportive housing.</p>															

**§301(a)(2)** The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

**§301(a)(3)** Matching portions of funds placed into Local or Regional Housing Trust Funds.

**§301(a)(4)** Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.

**§301(a)(5)** Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.

**§301(a)(6)** Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.

**§302(c)(4)(E)(i)** Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.

65% of FY 2020 PLHA funds will be utilized at a 23-bed homeless bridge housing facility slated to open in January of 2022 to cover operations and case management to assist clients with obtaining income, housing and self-sufficiency. In addition, PLHA funds will be used to meet management cost shortfalls at a 30-room pallet shelter facility at the Hulen Homeless Service Campus.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2020														
Type of Activity for Persons Experiencing or At Risk of Homelessness	Emergency Shelter Operating														
<b>§302(c)(4)(E)(i)</b> Percentage of Funds Allocated for the Proposed Activity	65.00%														
<b>§302(c)(4)(E)(ii)</b> Area Median Income Level Served	30%														<b>TOTAL</b>
<b>§302(c)(4)(E)(ii)</b> Unmet share of the RHNA at AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>															0
<b>§302(c)(4)(E)(ii)</b> Projected Number of Households Served															0
<b>§302(c)(4)(E)(iv)</b> Period of Affordability for the Proposed Activity ( <b>55 years required for rental housing projects</b> )															
<b>§302(c)(4)(E)(iii)</b> A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.															
PLHA funds will be utilized to provide project oversight and case management for a homeless bridge housing project through a contracted partner Mercy House, Inc. This bridge housing project is under construction and is slated to have a Certificate of Occupancy in January of 2022. Mercy House, Inc., will begin tenantry and managing the project upon execution of a management agreement with the City, which is slated for completion in December of 2021. In addition, funds will also be used to meet a shortfall in management expenses for a 30-unit pallet shelter project at the Hulen Homeless Service campus.															
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<b>§301(a)(10)</b> Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.															